

## **CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING AND PRACTICES AND PROCEDURES FOR FAIR DISCLOSURES**

The Securities & Exchange Board of India (SEBI) issued a notification dated 20.02.2002 and made it compulsory for every listed Company to frame a Code of Conduct for Prevention of Insider Trading in the Company. SEBI also prescribed a model Code of Conduct in this regard under Schedule – I of the SEBI (Prohibition of Insider Trading) Regulations, 1992. The expression Insider Trading' means buying and selling or dealing in the Securities of a Listed Company by a Director, Member of Management, an Employee of the concern or by any other person such as Internal & Statutory Auditors, Agent, Advisor, Analyst, Consultant etc. who has knowledge of 'material inside' information not available to the General Public. The dealing in securities by an 'Insider' is illegal when it is predicated upon the utilization of Inside information to profit at the expense of other investors who do not have access to the same information.

The objective of these regulations is to prevent insider trading by the Directors/ Officers/ Designated Employees & others on the basis of 'Un-published Price Sensitive Information'. Pursuant to SEBI (Prohibition of Insider Trading) Regulations, 1992, as amended by notification issued in 2002, the model code of conduct for the prevention of Insider Trading in Punjab Communications Limited (PUNCOM) was adopted by the Board of Directors in their 114<sup>th</sup> meeting held on 25<sup>th</sup> July, 2002.

SEBI repealed the SEBI (Prohibition of Insider Trading) Regulations, 1992 and brought into force SEBI (Prohibition of Insider Trading) Regulations, 2015 effective from 15<sup>th</sup> May, 2015 which was adopted by Board in its meeting held on 2<sup>nd</sup> August, 2018.

Recently SEBI (Prohibition of Insider Trading) Regulations, 2015 were amended via Notification No. SEBI/LAD-NRO/GN/2018/59 dated 31<sup>st</sup> December, 2018, thereby in the light of the above amendments, the Code of Conduct for Prevention of Insider Trading and practices and procedures for fair disclosures, as amended, is as under:

### **CHAPTER 1 – SHORT TITLE AND COMMENCEMENT**

- 1.1 These regulations may be called as “Code of Conduct for Prevention of Insider Trading and Practices and Procedures for fair Disclosures”.
- 1.2 These regulations shall come into force on April 1, 2019.

### **CHAPTER 2 – APPLICABILITY**

These regulations shall be applicable to the following persons :

- a. All directors on the Board of the Company
- b. All Head of the Divisions of the Company
- c. All Corporate Members of the Company
- d. All Designated Employees as defined in Chapter 3 below
- e. Dependent family members of the above mentioned persons.
- f. All Connected Persons as defined in Chapter 3 below in consonance with the SEBI (Prohibition of Insider Trading) Regulations, 2015. (As amended from time to time)

### **CHAPTER 3 – DEFINITIONS**

- a) **“Company”** means Punjab Communications Limited.
- b) **“Compliance Officer”** means the Company Secretary of the Company or any other person designated as ‘Compliance Officer’.
- c) **“Connected Person”** means:
  - (i) any person who is or has during the six months prior to the concerned act been associated with the company, directly or indirectly, in any capacity including by reason of frequent communication with its officers or by being in any contractual, fiduciary or employment relationship or by being a director, officer or an employee of the company or holds any position including a professional or business relationship between himself and the company whether temporary or permanent, that allows such person, directly or indirectly, access to unpublished price sensitive information or is reasonably expected to allow such access.
  - (ii) Without prejudice to the generality of the foregoing, the persons falling within the following categories shall be deemed to be connected persons unless the contrary is established, -
    - (a) an immediate relative of connected persons specified in clause (i) above; or
    - (b) a holding company or associate company or subsidiary company; or
    - (c) an intermediary as specified in section 12 of the SEBI Act, 1992 or an employee or director thereof; or
    - (d) an investment company, trustee company, asset management company or an employee or director thereof; or
    - (e) an official of a stock exchange or of clearing house or corporation; or
    - (f) a member of board of trustees of a mutual fund or a member of the board of directors of the asset management company of a mutual fund or is an employee thereof; or
    - (g) a member of the board of directors or an employee, of a public financial institution as defined in section 2 (72) of the Companies Act, 2013; or
    - (h) an official or an employee of a self-regulatory organization recognized or authorized by the Board; or
    - (i) a banker of the company; or
    - (j) a concern, firm, trust, Hindu undivided family, company or association of persons wherein a director of a company or his immediate relative or banker of the company, has more than ten per cent. of the holding or interest;

A connected person is one who has a connection with the company that is expected to put him in possession of unpublished price sensitive information. Immediate relatives and other categories of persons specified above are also presumed to be connected persons but such a presumption is a deeming legal fiction and also is rebuttable. This definition is also intended to bring into its ambit persons who may not seemingly occupy any position in a company but are in regular touch with the company and its officers and

are involved in the know of the company's operations. It is intended to bring within its ambit those who would have access to or could access unpublished price sensitive information about the company by virtue of any connection that would put them in possession of unpublished price sensitive information.

- d) **"Generally available information"** means information that is accessible to the public on a non-discriminatory basis;
- e) **"Immediate relative"** means a spouse of a person, and includes parent, sibling and child of such person or of the spouse, any of whom is either dependent financially on such person, or consults such person in taking decisions relating to trading in securities.
- f) **"Designated Employees"** means employees and trainees, if any, of Secretarial & Finance Divisions of the Company and includes any other person who may have access to the price sensitive information and as specified by the Compliance Officer from time to time or persons mentioned in Chapter 2 above.
- g) **"Insider"** means any person who is:
  - i) a connected person; or
  - ii) in possession of or having access to unpublished price sensitive information;
- h) **"Insider Trading"** means an act of buying, selling, or agreeing to buy, sell or deal in any securities of the Company by the persons mentioned in Chapter 2 above.
- i) **"Need to Know"** means the persons in the Company who need the unpublished, price sensitive information to discharge their duties.
- j) **"Promoter"** shall have the meaning assigned to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 or any modification thereof.

Presently 'Promoter' is defined under SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 as under :

"Promoter" shall include a person:

- i) who has been named as such in a draft offer document or offer document or is identified by the issuer in the annual return referred to in section 92 of the Companies Act, 2013, or
- ii) who has control over the affairs of the issuer, directly or indirectly whether as a shareholder, director or otherwise; or
- iii) in accordance with whose advised, directions or instructions the board of directors of the issuer is accustomed to act;

Provided that nothing in sub-clause (iii) shall apply to person who is acting merely in professional capacity;

Provided further that a financial institution, scheduled commercial bank, foreign portfolio investor other than Category III foreign portfolio investor, mutual fund, venture capital fund, alternative investment fund, foreign venture capital investor, insurance company registered with the Insurance Regulatory and Development Authority of India or any other category as specified by the Board from time to time, shall not be deemed to be a promoter merely by virtue of the fact that twenty per cent. or more of the equity share capital of the issuer is held by such person unless such person satisfy other requirements prescribed under these regulations;

- k) "**Securities**" shall have the meaning assigned to it under the Securities Contracts (Regulation) Act, 1956 (42 of 1956) or any modification thereof except units of a mutual fund;

Securities has been defined under the Securities Contracts (Regulation) Act, 1956 (42 of 1956) as under :

Securities include—

- (i) shares, scrips, stocks, bonds, debentures, debenture stock or other marketable securities of a like nature in or of any incorporated company or other body corporate;
  - (ii) derivative;
  - (iii) units or any other instrument issued by any collective investment scheme to the investors in such schemes;]
  - (iv) security receipt as defined in clause (zg) of section 2 of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002;
  - (v) Government securities;
  - (vi) such other instruments as may be declared by the Central Government to be securities; and
  - (vii) rights or interest in securities;
- l) "**Trading**" means and includes subscribing, buying, selling, dealing, or agreeing to subscribe, buy, sell, deal in any securities, and "trade" shall be construed accordingly
- m) "**Trading Window**" is the hypothetical term which means trading in the shares of the Company by the specified persons, its opening and closing means specified persons being allowed to trade or not allowed to trade as per this Code.
- n) "**Unpublished Price Sensitive Information**" means any information which relating to company or its securities, directly or indirectly, that is not generally available which upon becoming generally available, is likely to materially affect the price of the

securities and shall, ordinarily including but not restricted to, information relating to the following:-

- i. Financial results
  - ii. Dividend
  - iii. Change in Capital Structure;
  - iv. Mergers, de-mergers, acquisitions, delisting, disposals and expansion of business and such other transactions;
  - v. Change in key managerial personnel; and
- o) **“Legitimate purpose”** shall include sharing of unpublished price sensitive information in the ordinary course of business by an insider with partners, collaborations, lenders, customers, suppliers, merchant bankers, legal advisors, auditors, insolvency professionals or other advisors or consultants, provided that such sharing has not been carried out to evade or circumvent the prohibitions of these regulations.

## **CHAPTER 4 – CODE OF CONDUCT**

### **4.0 Compliance Officer**

The Compliance Officer of the Company shall be responsible for setting forth policies, procedures, monitoring adherence to the rules for the preservation of “Unpublished Price Sensitive Information”, pre-clearing of designated employees and their dependents trades (directly or through respective department heads as decided by the Company), monitoring of trades and the implementation of the Code of Conduct under the overall supervision of the Board of Directors.

The compliance officer shall maintain record of the designated employees and incorporate necessary changes as may be required from time to time in the list of such designated employees. The detailed role & duties of the Compliance Officer are enumerated at **Appendix - I**.

### **4.1 Preservation of “Unpublished Price Sensitive Information”**

All persons mentioned in Chapter 2 shall maintain the confidentiality of all Unpublished Price Sensitive Information. They shall not pass on such information to any person, directly or indirectly, by way of making a recommendation for the purchase or sale of securities.

### **4.2 Limited Access to confidential information**

Files containing confidential information shall be kept secure. Computer files must have adequate security of login and password etc.

### **4.3 Procedure for prevention of Insider Trading**

All persons mentioned in Chapter 2 shall be subject to trading restrictions as enumerated below:

#### **4.3.1 Restrictions on Communications and Trading By Insiders**

- (1) No Insider shall communicate, provide, or allow access to any unpublished price sensitive information, relating to the Company or securities listed or proposed to be listed, to any person including other insiders except where such information is in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.
- (2) No person shall procure from or cause the communication by any insider of unpublished price sensitive information, relating to a company or securities listed or proposed to be listed, except in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.
- (3) The board of directors of a listed company shall make a policy for determination of "legitimate purposes" as a part of "Codes of Fair Disclosure and Conduct" formulated under regulation 8."

Explanation-For the purpose of illustration, the term "legitimate purpose" shall include sharing of unpublished price sensitive information in the ordinary course of business by an insider with partners, collaborations, lenders, customers, suppliers, merchant bankers, legal advisors, auditors, insolvency professionals or other advisors or consultants, provided that such sharing has not been carried out to evade or circumvent the prohibitions of these regulations.

- (4) Any person in receipt of unpublished price sensitive information pursuant to a "legitimate purposes" shall be considered as an "insider" for purposes of these regulations and due notice shall be given to such persons to maintain confidentiality of such unpublished price sensitive in compliance with the regulations.
- (5) The Unpublished Price Sensitive Information may be communicated, provided or allowed access to or procured, in connection with a transaction where the Board of Directors of the listed Company are of informed opinion that the sharing of such information is in the best interests of the Company and the information that constitute unpublished price sensitive information is disseminated to be made generally available at least two trading days prior to the proposed transaction being effected in such form as the board of Directors may determine to be adequate and fair to cover all relevant and material facts.

However, for this purpose, the board of directors shall require the parties to execute agreements to contract confidentiality and non-disclosure obligations on the part of such parties and such parties shall keep information so received confidential, except for the purpose of the sub regulation (3) of Regulation 3 of PIT

Regulations, 2015, and shall not otherwise trade in securities of the company when in possession of unpublished price sensitive information.

- (6) Designated Employees shall be forbidden to indulge in insider trading from the date of knowing the price sensitive information pertaining to matters mentioned in point (n) of Chapter 3 till 48 hours after the information is made public.
- (7) Designated Employees who buy or sell any number of shares of the Company shall be under obligation not to enter into an opposite transaction i.e. sell or buy any number of shares during the next six months following the prior transaction and also not to take position in derivative transactions in the shares of the Company. Should a contra trade be executed, inadvertently or otherwise, in violation of such a restriction, the profits from such a trade shall be liable to be disgorged for remittance to the Board for credit to the Investor Protection and Education Fund administered by the Board under the Act. They are also under the obligation to retain the possession of the shares so purchased for a period of at least 30 days so that its purpose of purchase should be investment rather than speculative.
- (8) In case the sale of securities is necessitated by personal emergency, a written request shall be made to the Compliance Officer of the Company for the waiver of the holding period in the format enclosed at Appendix - II. The Compliance Officer may grant waiver, doing away with the holding period, considering the merits of the case.

#### **4.3.2 Trading when in possession of unpublished price sensitive information**

No insider shall trade in securities that are listed or proposed to be listed on a stock exchange when in possession of unpublished price sensitive information.

Explanation- When a person who has traded in securities has been in possession of unpublished price sensitive information, his trades would be presumed to have been motivated by the knowledge and awareness of such information in his possession.

Provided that the insider may prove his innocence by demonstrating the circumstances affecting the transaction thereof as may be governed by the SEBI (Prohibition of Insider Trading) Regulations, 2015 including any amendment or re-enactment thereof.

#### **4.3.3 Pre-clearance of Trades**

All directors/officers/designated employees of the company and their dependents who intend to deal in the securities of the Company up to 5000 shares in a calendar month shall not require a pre-clearance (When trading window is open).

However, for any dealing for more than 5000 shares pre-clearance is must for which pre-clearance procedures is given hereunder:

- i) An application is to be made in the format (as specified at Appendix - III) by the Director/Officer/Designated Employee and is to be submitted to Compliance Officer of the Company along with statement of holding at the time of pre-clearance as per format enclosed at Appendix - IV.
- ii) Person connected shall have to furnish an undertaking in the enclosed format at Appendix - V to the effect that:
  - a) He has no access to or has not received “Unpublished Price Sensitive Information” up to the time of signing of the undertaking,
  - b) That in case he has access to or receives Unpublished Price Sensitive Information after signing of the undertaking but before the execution of the transaction, he shall inform the Compliance Officer of the change in his position and that he would completely refrain from dealing in the securities of the Company till the time such information become public,
  - c) That he has not contravened the Code of Conduct for Prevention of Insider Trading and practices and procedures for fair disclosures,
  - d) That he has made full and true disclosure in the matter.

All directors/officers/designated employees of the company and their dependents shall execute their order in respect of securities of the Company within one week after the approval of the pre-clearance is given. If the order is not executed within one week after the approval is given, they must pre-clear the transaction again.

#### **4.3.4 Trading Plan**

The Compliance Officer/Board may grant an option to persons who may be perpetually in possession of unpublished price sensitive information and enabling them to trade in securities in a compliant manner.

- (1) An insider shall be entitled to formulate a trading plan and present it to the compliance officer for approval and public disclosure pursuant to which trades may be carried out on his behalf in accordance with such plan.

This provision would enable the formulation of a trading plan by an insider to enable him to plan for trades to be executed in future. By doing so, the possession of unpublished price sensitive information when a trade under a trading plan is actually executed would not prohibit the execution of such trades that he had pre-decided even before the unpublished price sensitive information came into being. However, such trading plan shall be in consonance with the provisions of the SEBI (Prohibition of Insider Trading)



Regulations, 2015 including any amendment or re-enactment thereof and subject to review, assessment and consequent approval of the same by the Compliance Officer.

(2) Such trading plan shall:-

- (i) not entail commencement of trading on behalf of the insider earlier than six months from the disclosure of the plan;
- (ii) not entail trading for the period between the twentieth day prior to the last day of any financial period for which results are required to be announced by the issuer of the securities and the second trading day after the disclosure of such financial results;
- (iii) entail trading for a period of not less than twelve months;
- (iv) not entail overlap of any period for which another trading plan is already in existence;
- (v) set out either the value of trades to be effected or the numbers of securities to be traded along with the nature of the trade and the intervals at, or dates on which such shall be effected; and
- (vi) not entail trading in securities for market abuse.

(3) The compliance officer shall review the trading plan to assess whether the plan would have any potential for violation of these regulations and shall be entitled to seek such express undertakings as may be necessary to enable such assessment and to approve and monitor the implementation of the plan.

Provided that pre-clearance of trades shall not be required for a trade executed as per an approved trading plan.

Provided further that trading window norms and restrictions on contra trade shall not be applicable for trades carried out in accordance with an approved trading plan.

(4) The trading plan once approved shall be irrevocable and the insider shall mandatorily have to implement the plan, without being entitled to either deviate from it or to execute any trade in the securities outside the scope of the trading plan.

Provided that the implementation of the trading plan shall not be commenced if any unpublished price sensitive information in possession of the insider at the time of formulation of the plan has not become generally available at the time of the commencement of implementation and in such event the compliance officer shall confirm that the commencement ought to be deferred until such unpublished price sensitive information becomes generally available information so as to avoid a violation of the provisions of this code.

(5) Upon approval of the trading plan, the compliance officer shall notify the plan to the stock exchanges on which the securities are listed.

#### **4.4 Need to Know**

Unpublished Price Sensitive Information is to be handled on a “need to know” basis, i.e., Unpublished Price Sensitive Information should be disclosed only to those within the

Company who need to know the information to discharge their duty.

#### **4.5 Public Disclosure of Unpublished Price Sensitive Information**

The Company shall abide by the Principles of Fair Disclosure for purposes of this Code as provided at Appendix - VI.

### **CHAPTER 5 – PENALTIES**

- 5.1 Any person on which this Code is applicable and who trades in the securities or communicates any information for trading in securities in contravention of this Code of Conduct shall be liable to a penalty which may extend up to two times' the value of the transaction in securities, as imposed by the Compliance Officer.
- 5.2 Any Designated Employee of the Company who violate the Code of Conduct shall also be subject to disciplinary action by the Company, which may include wage freeze and suspension.
- 5.3 The action by the Company shall not preclude the SEBI from taking any action in case of violation of SEBI (Prohibition of Insider Trading) Regulations, 2015 in accordance with the act amended and enacted thereof.

### **CHAPTER 6 – INFORMATION TO SEBI**

In case it is observed by the Company that there has been a violation of Code of Conduct formulated by the Company for the Prevention of Insider Trading or any of the regulations of SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company shall immediately inform SEBI & Stock Exchanges about the lapse. Any contravention of these regulations shall be dealt with by the Board in accordance with the SEBI Act, 1992.

### **CHAPTER 7 – DISCLOSURE POLICY**

#### **7.1 Disclosure by Insider(s)**

##### **7.1.1 Initial Disclosure**

- (a) Every promoter, key managerial personnel and director of the company shall disclose his holding of securities of the company as on the date of these regulations taking effect, to the company within thirty days of these regulations taking effect in **Form A** as enclosed at **Appendix – VII**.
- (b) Every person on appointment as a key managerial personnel or a director of the company or upon becoming a promoter shall disclose his holding of securities of the company as on the date of appointment or becoming a promoter, to the company

within seven days of such appointment or becoming a promoter in **Form B** as enclosed at **Appendix – VIII**.

### **7.1.2 Continual Disclosure**

Every promoter, member of the promoter group designated person and director of every company shall disclose to the company the number of such securities acquired or disposed of within two trading days of such transaction if the value of the securities traded, whether in one transaction or a series of transactions over any calendar quarter, aggregates to a traded value in excess of ten lakh rupees or such other value as may be specified by SEBI in **Form C** as enclosed at **Appendix - IX**.

### **7.1.3 Disclosures by other connected persons**

The Company may, at its discretion require any other connected person or class of connected persons to make disclosures of holdings and trading in securities of the company in such form and at such frequency as may be determined by the company in order to monitor compliance with these regulations. The requisite **Form D** is enclosed at **Appendix – X**.

However, the Company may get the same approved by the Board justifying the necessity of the same as the case may arise.

Further, the Company in order to monitor the compliance with these regulations shall require the connected persons to provide a **non-disclosure undertaking** as enclosed at **Appendix -XI**.

The Compliance Officer shall maintain records of all the declarations in the appropriate form given by the directors/officers/designated employees for a period of five years.

The Compliance Officer shall place before the MD/CEO/Investors/Stakeholders' Relationship Committee Meeting of the Company, on monthly or quarterly basis all the details of the dealing in the securities by specified persons mentioned in Chapter 2 of the Company under the pre-dealing procedure as envisaged in this Code.

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**PUNJAB COMMUNICATIONS LIMITED**

**ROLE AND DUTIES OF COMPLAINEE OFFICER**

1.	To set forth policies, procedures, monitoring adherence to the rules for the preservation of —Unpublished Price Sensitive Information, monitoring the transactions whether pre-clearance of —specified persons' trades are executed within one week and the implementation of the code of conduct.
2.	Shall be subject to overall supervision of the Board of Directors.
3.	Shall report to Managing Director/ Chief Executive Officer.
4.	To suggest any improvements required in the policies, procedures, etc. to ensure effective implementation of the code
5.	To maintain a record of all specified persons covered and any changes in the same.
6.	To assist all the designated employees in addressing any clarifications regarding the Securities & Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 including any amendments or re-enactments thereto and the Company's Code of Conduct.
7.	To maintain a list of all the information termed as Unpublished Price Sensitive Information.
8.	To maintain a record of names of files containing confidential information deemed to be Unpublished Price Sensitive Information and persons in charge of the same.
9.	To ensure that computer files are adequately secured.
10.	To keep records of periods specified as 'Trading Window'.
11.	To ensure that the 'Trading Window' is closed at the time of : Declaration of Financial Results (Quarterly, Half Yearly and Annual) Declaration of Dividends (Interim and Final) Issue of securities by way of Public/Rights/ Bonus etc. Any major expansion plans or execution of new projects Amalgamation, Mergers, Takeovers and Buy-Back Disposal of whole or substantially whole of the undertakings Any changes in policies, plans or operations of the Company
12.	To ensure that the closure of the Trading Window is duly intimated to all concerned.
13.	To ensure that the Trading Window is opened 48 hours after the information mentioned in Para 11 above is made public.
14.	To ensure that Trading Restrictions are strictly observed and that all Directors/Officers/ Designated Employees conduct all their dealings in the securities of the Company only in a valid Trading Window and do not deal in any transaction involving the purchase or sale of the Company's securities during the period when trading window is closed, as specified in Para 11 above or during any other period as may be decided by the Company from time to time.
15.	To ensure that no sale of shares allotted on exercise of ESOPs is allowed when trading window is closed.
16.	To procure disclosure from any designated employees holding more than 5% shares or voting rights in the Company, in the prescribed form within two working days of : The receipt of intimation of allotment of shares or The acquisition or sale of shares or voting rights, as the case may be.
17.	To procure Initial Disclosure of the number of shares or voting rights held by any designated employee who is a Director or Officer of the Company in the prescribed form within two working days of becoming a director or Officer of the Company.
18.	To procure from any Designated Employees, Continual Disclosures of the number of shares or voting rights held in the Company and changes therein, even if the shareholding falls below 5%

	since the last disclosure made under para 16 or this para, such change exceeds 2% of the total shareholding or voting rights in the prescribed form within two working days of: The receipt of intimation of allotment of shares or The acquisition or sale of shares or voting rights, as the case may be.
19.	To procure from any Designated Employees who is a Director or Officer of the Company, Continual Disclosures of the total number of shares or voting rights held and change in shareholding or voting rights, if there has been a change in such holdings from the last disclosure made under para 17 above or this para, and the change exceeds Rs. 5 Lacs in value or 25000 shares or 1% of total shareholding or voting rights, whichever is lower in the prescribed form within two working days of: The receipt of intimation of allotment of shares or The acquisition or sale of shares or voting rights, as the case may be.
20.	To inform all Stock Exchanges on which the Company's Securities are listed, the information received under paras 16, 17, 18 & 19 within two days of receipt.
21.	To process applications received for pre-clearance of transactions as per the procedures laid down.
22.	To procure an undertaking in favour of the Company from Designated Employees applying for pre-clearance of transactions in the prescribed format.
23.	To confirm whether the Directors/ Officers/ Designated Employees execute their order in the respect of securities of the Company within one week after the approval of pre-clearance is given. If not, the concerned person should seek pre-clearance once again.
24.	To ensure that a minimum holding period of 30 days is observed by all Directors/ Officers/Designated Employees.
25.	To ensure that all Directors/ Officers/ Designated Employees shall not enter into an opposite transaction during next six months following the prior transaction and shall also not take positions in derivative transactions in the shares of the Company at any time.
26.	To waive the requirement of holding period under specified circumstances.
27.	To receive and maintain records of periodic and annual statement of holdings from Directors/ Officers/ Designated Employees and their dependent family members.
28.	To maintain records of all the declarations in the appropriate forms given by the Directors/ Officers/Designated Employees for a minimum period of three years.
29.	To place before the MD or a Committee of Directors as may be specified for the purpose, on quarterly basis all the details of the dealings in the securities by Employees /Directors/ Officers of the Company and the accompanying documents that such person had executed under the pre-clearance procedure.
30.	To implement the punitive measures or disciplinary action prescribed for any violation or contravention of the Code of Conduct.
31.	To inform the SEBI of any violation observed (within seven days of knowledge thereof).
32.	To review the trading plan to assess whether the plan would have any potential for violation of these regulations and shall be entitled to seek such express undertakings as may be necessary to enable such assessment and to approve and monitor the implementation of the plan.
33.	Upon approval of the trading plan, to notify the plan to the stock exchanges on which the securities are listed.
34.	To promptly notify and intimate the stock exchange of code of practices and procedures for fair disclosure of unpublished price sensitive information and every amendment thereto shall be promptly intimated to the stock exchanges where the securities are listed.
35.	The compliance officer shall report to the board of directors and in particular, shall provide reports to the Chairman of the Audit Committee, if any, or to the Chairman of the board of directors at such frequency as may be stipulated by the board of directors.
36.	As a chief investor relations officer to deal with dissemination of information and disclosure of unpublished price sensitive information.

**PUNJAB COMMUNICATIONS LIMITED**

**APPLICATION FOR WAIVER OF MINIMUM HOLDING PERIOD**

Date: \_\_\_\_\_

The Compliance Officer,  
Punjab Communications Limited

**Through Division/Department Head**

Dear Sir,

I request you to grant me waiver of the minimum holding period of 30 days as required under the Code of Prohibition of Insider Trading with respect to \_\_\_\_\_ shares of the Company held by me/\_\_\_\_\_ (Name of relative) singly/jointly acquired by me on \_\_\_\_\_ (Date). I desire to deal in the said shares on account of \_\_\_\_\_ (Give reasons).

Thanking you,  
Yours faithfully,

(Name)  
(Designation)  
(Department)

**PUNJAB COMMUNICATIONS LIMITED**

**APPLICATION FOR PRE-CLEARANCE**

To: The Compliance Officer,  
Punjab Communications Limited

From: Name  
Designation  
Department

**Through Division/ Department Head**

With reference to the Code of Prohibition of Insider Trading of Punjab Communications Limited, I seek your approval to subscribe to/ agree to subscribe to purchase/sell/deal as an agent/principal in \_\_\_\_\_ (nos.) equity shares of the Company.

The statement of shareholding in specified format as on \_\_\_\_\_ and undertaking in the prescribed format are enclosed for your perusal in this connection.

Date:

Signature:

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**PRE CLEARANCE ORDER**

This is to inform you that your request for dealing in \_\_\_\_\_ (nos.) shares of the Company as mentioned in your abovementioned application is approved. Please note that the said transaction must be completed on or before \_\_\_\_\_ (Date) i.e. within seven days from today.

Date:  
Compliance Officer

For Punjab Communications Limited

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**CONFIRMATION OF DEAL**

To  
The Compliance Officer  
Punjab Communications Limited

I confirm that the shares dealing for which approval was granted on \_\_\_\_\_ was completed on \_\_\_\_\_ by purchasing / selling \_\_\_\_\_ (nos.) equity shares of the Company.

Date:

Signature:

**APPENDIX – IV**

To: The Compliance Officer,  
Punjab Communications Limited,  
B-91, Phase – VIII, Industrial Area,  
Mohali – 160071

**STATEMENT OF HOLDINGS AT THE TIME OF PRE-CLEARANCE**

**I. DETAILS OF SHARHOLDING OF DIRECTOR/ OFFICER/ DESIGNATED EMPLOYEES HELD IN THEIR OWN NAME**

NAME	DESIGNATION	DEPARTMENT	NO. OF SHARES HELD (WITH FOLIO/DP ID/CLIENT ID)	NATURE OF TRANSACTION FOR WHICH APPROVAL IS SOUGHT	NO. OF SHARES TOBE DEALT

**II. DETAILS OF SHARES HELD BY DEPENDENT FAMILY MEMBERS**

NAME	RELATIONSHIP	NO. OF SHARES HELD (WITH FOLIO/DP ID/CLIENT ID)	NATURE OF TRANSACTION FOR WHICH APPROVAL IS SOUGHT	NO. OF SHARES TO BE DEALT

**I/we hereby declare that the shares to be sold have been held by me/us for a minimum of 30 days.**

Signature : \_\_\_\_\_

Name: \_\_\_\_\_



**PUNJAB COMMUNICATIONS LIMITED**

**UNDERTAKING TO BE SUBMITTED ALONGWITH  
APPLICATION FOR PRE- CLEARANCE**

I, \_\_\_\_\_ (Name, Designation and Department) residing at \_\_\_\_\_, I am desirous of dealing in \_\_\_\_\_\* Shares of the Company as mentioned in my application dated \_\_\_\_\_ for pre-clearance of the transaction.

As required by the Code for Prohibition of Insider Trading of Punjab Communications Limited, I hereby state that:

- (a) I have no access to nor do I have any information that could be construed as —Price Sensitive Information as defined in the code upto the time of signing this undertaking;
- (b) In the event that I have access to or received any information that could be construed as —Price Sensitive Information as defined in the Code, after the signing of this undertaking but before executing the transaction for which approval is sought, I shall inform the Compliance Officer of the same and shall completely refrain from dealing in the securities of the Company until such information becomes public.
- (c) I have not contravened the provisions of the Code of Conduct for Prohibition of Insider Trading and Practices and Procedures for Fair Disclosures as notified by the Company from time to time.
- (d) I have made full and true disclosure in the matter.

Date: \_\_\_\_\_

Signature: \_\_\_\_\_

\* indicate number of shares

**PUNJAB COMMUNICATIONS LIMITED**

**PRINCIPLES OF FAIR DISCLOSURE FOR PURPOSES OF CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION**

1. Prompt public disclosure of unpublished price sensitive information that would impact price discovery no sooner than credible and concrete information comes into being in order to make such information generally available.
2. Uniform and universal dissemination of unpublished price sensitive unpublished price sensitive information to avoid selective disclosure.
3. Designation of Compliance officer as a chief investor relations officer to deal with dissemination of information and disclosure of unpublished price sensitive information.
4. Prompt dissemination of unpublished price sensitive information that gets disclosed selectively, inadvertently or otherwise to make such information generally available.
5. Appropriate and fair response to queries on news reports and requests for verification of market rumors by regulatory authorities.
6. Ensuring that information shared with analysts and research personnel is not unpublished price sensitive information.
7. Developing best practices to make transcripts or records of proceedings of meetings with analysts and other investor relations conferences on the official website to ensure official confirmation and documentation of disclosures made.
8. Handling of all unpublished price sensitive information on a need-to-know basis.

**MINIMUM STANDARDS FOR CODE OF CONDUCT FOR LISTED COMPANIES TO REGULATE, MONITOR AND REPORT TRADING BY INSIDERS**

1. The compliance officer shall report to the board of directors and in particular, shall provide reports to the Chairman of the Audit Committee, if any, or to the Chairman of the board of directors at such frequency as may be stipulated by the board of directors, but not less than once in a year.
2. All information shall be handled within the organisation on a need-to-know basis and no unpublished price sensitive information shall be communicated to any person except in furtherance of legitimate purposes, performance of duties or discharge of legal obligations. The code of conduct shall contain norms for appropriate Chinese Walls procedures, and processes for permitting any designated person to “cross the wall”.
3. Designated Persons and immediate relatives of designated persons in the organization shall be governed by an internal code of conduct governing dealing in securities.

4. Designated persons may execute trades subject to compliance with these regulations. Towards this end, a notional trading window shall be used as an instrument of monitoring trading by the designated persons. The trading window shall be closed when the compliance officer determines that a designated person or class of designated persons can reasonably be expected to have possession of unpublished price sensitive information. Such closure shall be imposed in relation to such securities to which such unpublished price sensitive information relates. Designated persons and their immediate relatives shall not trade in securities when the trading window is closed. Trading restriction period can be made applicable from the end of every quarter till 48 hours after the declaration of financial results. The gap between clearance of accounts by audit committee and board meeting should be as narrow as possible and preferably on the same day to avoid leakage of material information.
5. The timing for re-opening of the trading window shall be determined by the compliance officer taking into account various factors including the unpublished price sensitive information in question becoming generally available and being capable of assimilation by the market, which in any event shall not be earlier than forty-eight hours after the information becomes generally available.
6. When the trading window is open, trading by designated persons shall be subject to preclearance by the compliance officer, if the value of the proposed trades is above such thresholds as the board of directors may stipulate.
7. Prior to approving any trades, the compliance officer shall be entitled to seek declarations to the effect that the applicant for pre-clearance is not in possession of any unpublished price sensitive information. He shall also have regard to whether any such declaration is reasonably capable of being rendered inaccurate.
8. The code of conduct shall specify any reasonable timeframe, which in any event shall not be more than seven trading days, within which trades that have been pre-cleared have to be executed by the designated person, failing which fresh pre-clearance would be needed for the trades to be executed.
9. The code of conduct shall specify the period, which in any event shall not be less than six months, within which a designated person who is permitted to trade shall not execute a contra trade. The compliance officer may be empowered to grant relaxation from strict application of such restriction for reasons to be recorded in writing provided that such relaxation does not violate these regulations. Should a contra trade be executed, inadvertently or otherwise, in violation of such a restriction, the profits from such trade shall be liable to be disgorged for remittance to the Board for credit to the Investor Protection and Education Fund administered by the Board under the Act.

Provided that this shall not be applicable for trades pursuant to exercise of stock options.

10. The code of conduct shall stipulate such formats as the board of directors deems necessary for making applications for pre-clearance, reporting of trades executed, reporting of decisions not to trade after securing pre-clearance and for reporting level of holdings in securities at such intervals as may be determined as being necessary to monitor compliance with these regulations.
11. Without prejudice to the power of the Board under the Act, the code of conduct shall stipulate the sanctions and disciplinary actions, including wage freeze, suspension, recovery, claw back etc., that may be imposed, by the listed company required to formulate a code of conduct under sub-regulation (1) of regulation 9, for the contravention of the code of conduct.
12. The code of conduct shall specify that in case it is observed by the listed company required to formulate a code of conduct under sub-regulation (1) of regulation 9, that there has been a violation of these regulations, it shall inform the Board promptly.
13. Designated persons shall be required to disclose names and Permanent Account Number or any other identifier authorized by law of the following persons to the company on an annual basis and as and when the information changes:
  - a) immediate relatives
  - b) persons with whom such designated person(s) shares a material financial relationship
  - c) Phone, mobile and cell numbers which are used by them In addition, the names of educational institutions from which designated persons have graduated and names of their past employers shall also be disclosed on a one time basis.

Explanation – The term “material financial relationship” shall mean a relationship in which one person is a recipient of any kind of payment such as by way of a loan or gift during the immediately preceding twelve months, equivalent to at least 25% of such payer’s annual income but shall exclude relationships in which the payment is based on arm’s length transactions.
14. Listed entities shall have a process for how and when people are brought ‘inside’ on sensitive transactions. Individuals should be made aware of the duties and responsibilities attached to the receipt of Inside Information, and the liability that attaches to misuse or unwarranted use of such information.

**PUNJAB COMMUNICATIONS LIMITED  
FORM A**

**SEBI (Prohibition of Insider Trading) Regulations, 2015**

**[Regulation 7 (1) (a) read with Regulation 6 (2) – Initial disclosure to the company]**

Name of the company: \_\_\_\_\_

ISIN of the company: \_\_\_\_\_

**Details of Securities held by Promoter, Key Managerial Personnel (KMP), Director and other such persons as mentioned in Regulation 6(2)**

Name, PAN, CIN/DIN & address with contact nos.	Category of Person (Promoters/ KMP/ Directors/ immediate relative to/others etc)	Securities held as on the date of regulation coming into force		% of Shareholding
		Type of security (For eg.– Shares, Warrants, Convertible Debentures etc.)	No.	
1	2	3	4	5

**Note:** “Securities” shall have the meaning as defined under regulation 2(1)(i) of SEBI Prohibition of Insider Trading) Regulations, 2015.

**Details of Open Interest (OI) in derivatives of the company held by Promoter, Key Managerial Personnel (KMP), Director and other such persons as mentioned in Regulation 6(2)**

Open Interest of the Future contracts held as on the date of regulation coming into force			Open Interest of the Option Contracts held as on the date of regulation coming into force		
Contract Specifications	Number of Units (contracts * lot size)	Notional value in Rupee terms	Contract Specifications	Number of units (contracts * lot size)	Notional value in Rupee terms
6	7	8	9	10	11

**Note:** In case of Options, notional value shall be calculated based on premium plus strike price of options

Name & Signature:

Designation:

Date:

Place:

**PUNJAB COMMUNICATIONS LIMITED  
FORM B**

**SEBI (Prohibition of Insider Trading) Regulations, 2015 [Regulation 7 (1) (b) read with Regulation 6(2) – Disclosure on becoming a director/KMP/Promoter]**

Name of the company: \_\_\_\_\_

ISIN of the company: \_\_\_\_\_

**Details of Securities held on appointment of Key Managerial Personnel (KMP) or Director or upon becoming a Promoter of a listed company and other such persons as mentioned in Regulation 6(2).**

Name, PAN, CIN/DIN & Address with contact nos.	Category of Person (Promoters/ KMP/ Directors/ immediate relative to/others etc.)	Date of appointment of Director /KMP OR Date of Becoming Promoter	Securities held at the time of becoming Promoter/ appointment of Director/ KMP		% of Shareholding
			Type of security (For eg. – Shares, Warrants, Convertible Debentures etc.)	No.	
1	2	3	4	5	6

**Note:** “Securities” shall have the meaning as defined under regulation 2(1)(i) of SEBI (Prohibition of Insider Trading) Regulations, 2015.

**Details of Open Interest (OI) in derivatives of the company held on appointment of Key Managerial Personnel (KMP) or Director or upon becoming a Promoter of a listed company and other such persons as mentioned in Regulation 6(2).**

Open Interest of the Future contracts held at the time of becoming Promoter/appointment of Director/KMP			Open Interest of the Option Contracts held at the time of becoming Promoter/appointment of Director/KMP		
Contract specifications	Number of units (contracts * lot size)	Notional value in Rupee terms	Contract specifications	Number of units (contracts * lot size)	Notional value in Rupee terms
7	8	9	10	11	12

**Note:** In case of Options, notional value shall be calculated based on premium plus strike price of options

Name & Signature:

Designation:

Date:

Place:

**PUNJAB COMMUNICATIONS LIMITED**

**FORM C**

**SEBI (Prohibition of Insider Trading) Regulations, 2015**

**[Regulation 7 (2) read with Regulation 6(2) – Continual disclosure]**

Name of the company: \_\_\_\_\_

ISIN of the company: \_\_\_\_\_

**Details of change in holding of Securities of Promoter, Employee or Director of a listed company and other such persons as mentioned in Regulation 6(2).**

Name, PAN, CIN/ DIN, & address with contact nos.	Category of Person (Promoters /KMP/ Directors/ immediate relative to/ others etc.)	Securities held prior to acquisition/ disposal		Securities acquired/Disposed				Securities held post acquisition/disposal		Date of allotment advice/ acquisition of shares/ sale of shares specify		Date of Intima- tion to company	Mode of acquisition / disposal (on market/public/ rights/ preferential offer / off market /Inter-se transfer, ESOPs etc.)
		Type of security (For eg.– Shares, Warrants, Convertible Debentures etc.)	No. and % of share holding	Type of security (For eg. –Shares, Warrants, Convertible Debentures etc.)	No.	Value	Transaction Type (Buy/ Sale/ Pledge / Revoke/ Invoke)	Type of security (For eg.– Shares, Warrants, Convertible Debentures etc.)	No. and % of share holding	From	To		
1	2	3	4	5	6	7	8	9	10	11	12	13	14

**Note:** “Securities” shall have the meaning as defined under regulation 2(1)(i) of SEBI (Prohibition of Insider Trading) Regulations, 2015.

**Details of trading in derivatives of the company by Promoter, Employee or Director of a listed company and other such persons as mentioned in Regulation 6(2).**

Trading in derivatives (Specify type of contract, Futures or Options etc)						Exchange on which the trade was executed
Type of contract	Contract specifications	Buy		Sell		
		Notional Value	Number of units (contracts * lot size)	Notional Value	Number of units (contracts * lot size)	
<b>15</b>	<b>16</b>	<b>17</b>	<b>18</b>	<b>19</b>	<b>20</b>	<b>21</b>

**Note:** In case of Options, notional value shall be calculated based on Premium plus strike price of options.

Name & Signature:

Designation:

Date:

Place:



**PUNJAB COMMUNICATIONS LIMITED**

**FORM D (Indicative format)**

**SEBI (Prohibition of Insider Trading) Regulations, 2015**

**Regulation 7(3) – Transactions by Other connected persons as identified by the company**

**Details of trading in securities by other connected persons as identified by the company**

Name, PAN, CIN/DIN, & address With contact nos. of other connected persons as identified by the company	Connection with company	Securities held prior to acquisition/ disposal		Securities acquired/Disposed				Securities held post acquisition/disposal		Date of allotment advice/ acquisition of shares/ sale of shares specify		Date of intimation to company	Mode of acquisition/ disposal (on market/public/ rights/ Preferential offer / off market/ Interse transfer, ESOPs etc. )
		Type of security (For eg.– Shares, Warrants, Convertible Debentures etc.)	No. and % of share holding	Type of security (For eg– Shares, Warrants, Convertible Debentures etc.)	No.	Value	Transaction Type (Buy/ Sale/ Pledge/ Revoke /Invoke)	Type of security (For eg. – Shares, Warrants, Convertible Debentures etc.)	No. and % of share holding	From	To		
1	2	3	4	5	6	7	8	9	10	11	12	13	14

**Note:** “Securities” shall have the meaning as defined under regulation 2(1)(i) of SEBI (Prohibition of Insider Trading) Regulations, 2015.

**Details of trading in derivatives by other connected persons as identified by the company**

Trading in derivatives (Specify type of contract, Futures or Options etc)						Exchange on which the trade was executed
Type of contract	Contract specifications	Buy		Sell		
		Notional Value	Number of units (contracts * lot size)	Notional Value	Number of units (contracts * lot size)	
15	16	17	18	19	20	21

**Note:** In case of Options, notional value shall be calculated based on premium plus strike price of options.

Name:

Signature:

Place:

## APPENDIX – XI

### PUNJAB COMMUNICATIONS LIMITED NON DISCLOSURE UNDERTAKING

Dated: \_\_\_\_\_

To,  
The Board of Directors,  
Punjab Communications Limited, B-91, Phase – VIII,  
Industrial Area, SAS Nagar, Chandigarh - 160071

#### **Sub: Non- Disclosure Undertaking**

Dear Sir,

I hereby acknowledge the receipt of Code of Conduct for Prevention of Insider Trading and Practices & Procedures for Fair Disclosures and undertake to abide by the provisions of the same in the true letter and spirit.

I, understand that being a \_\_\_\_\_(director/designated employee/auditor/banker) of the Company, I have a duty to safeguard the confidentiality of all such information obtained in the course of my being a

\_\_\_\_\_ of the Company. I undertake that I shall not use my position or knowledge of the Company to gain personal benefit or to provide benefit to any third party.

I understand that the scope of the work as set in the due course of discharge of my duties, postulates with dealing of records, books, papers and documents to comply with the scope of my duty, provisions of various statutes, laws, rules & regulations, procedures, which contain details and information of the Company that are considered confidential. I thus agree to:

- a) hold such information in confidence with a huge degree of care of confidential and proprietary information.
- b) to keep Confidential Information safe in a secure place and properly protected against theft, damage, loss and unauthorized access and undertakes to keep all documents and other materials reproducing or incorporating Confidential Information separate and in a secure place.
- c) restrict disclosure of the information solely to our employees, agents and contractors with a need to know such information and advise those persons of their obligations hereunder with respect to such information.
- d) to use Confidential Information solely for the purposes of considering, evaluating, negotiating or concluding aspects of my duty and not for any other purpose.
- e) except for the purpose of discharging my duty, no copy or otherwise duplicate such information or knowingly allow anyone else to copy or otherwise duplicate such information and
- f) undertake to keep the document(s) for my own record or back-up, by whatever reason, for discharge of my duty and in case the same is not required, to promptly return to the Board or the custodian of such information or destroy such information.
- g) to take complete responsibility of the confidential information shared by me or obtained from the Company or shared with the third party in the course of the discharge of duty

including any audit or business/expansion plan or execution of new projects or any changes in policies, plans or operations of the Company.

- h) to undertake to keep the price sensitive or confidential information known to me during my tenure of being a \_\_\_\_\_ of the Company safe, secure and confidential and restrict its disclosure till at least one year of cessation of being Director of the Company.

However, I shall have no obligation to preserve the confidential or proprietary nature of any information which:

- a) was previously known to me free of any obligation to keep it confidential at the time of its disclosure as evidenced by my written records prepared prior to such disclosure.
- b) is or becomes publicly known through no wrongful act on my part; or
- c) is independently developed by our employee, agent or contractor not associated with the Company and who did not have any direct or indirect access to the information; or
- d) generally made available publicly by the Company without restriction on disclosure, or
- e) required to be disclosed by law, regulation or any governmental or competent regulatory authority (including, without limitation, any securities exchange or any Governing authority for issuing or controlling or reviewing the provisions or guidelines of such duty) provided that so far as it is lawful and practical to do so prior to disclosure, I will promptly notify of such requirement with a view so far as is reasonably practical to providing the opportunity for the Board of the Company.

I undertake that I will be and remain liable for any unauthorized disclosure by any such person or entity.

Further, Without prejudice to the foregoing, I shall not be required to expunge Confidential Information from any computer, word processor or other similar device storing Confidential Information in electronic format, provided that the confidentiality of such electronically stored Confidential Information continues to be maintained by me in accordance with the terms of this Undertaking and is not at any time copies, reproduced or summarized.

This shall apply to all the information relating to the Company disclosed to me.

I guarantee that the contents of the above said information will be kept confidential and the text of the said documents shall remain the property of the Company.

I appreciate and undertake to co-operate in the Company endeavors to preserve the confidentiality of un-published price sensitive information and to prevent misuse of such information. I shall be committed to transparency and fairness in dealing with all stakeholders and in ensuring adherence to all laws and regulations.

Yours faithfully,

(Name & Signature)(seal also in case of auditor/banker)

Designation:

Membership No. : (seal also in case of auditor/banker)